Union Government (No. 5 of 1990)—Commercial—Resume of the Company Auditors' Reports and comments on Accounts of Government Companies.

[*Placed in Library, See No. LT—223/91*]

(3) Report of the Comptroller and Auditor General of India—Union Government (No. 7 of 1990)—Commercial—Audit Observations on Individual Topics.

[*Placed in Library, See No. LT 224/91*]

---

MR. SPEAKER: Shri P.A. Sangma, to make a statement.

**13.06 hrs.**

STATEMENT BY MINISTER

**Increase in the Rates of Royalty on Coal**

[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI P. A. SANGMA): Sir, Some Hon'ble Members had raised the subject of increase in the rates of royalty on coal in the House on 25-7-1991. In response I had made a statement in this House on 26-7-1991. I had informed the House that the various legal and financial issues concerning the increase of rates of royalty on coal were under examination of the Government and that a decision in the matter will be taken very shortly. Subsequently, on the same day I had also assured the House that a meeting of the Chief Ministers of Coal Producing States will be called within a week to discuss this subject.

Hon'ble Members are aware that till recently the coal producing States were imposing very heavy cesses on coal. Most of these cesses have since been struck down except in case of Assam and West Bengal. The rates of royalty were not being revised due to these high cesses. Now that most of these cesses have been struck down, the rates of royalty which have remained the same since February, 1981 have to be revised.

The Government has since considered the matter and has agreed to enhance the rates of royalty on coal. The salient feature of this upward revision is that the rates are being revised so that the average rate will be approximately Rs. 70 per tonne. The details of the revision of the royalty on coal will be laid on the Table of the House.

The superior quality coals attract higher incidence of royalty both from the point of view of conservation and higher calorific value of these coals. The revised rates will come into effect from the date of their publication in the Official Gazette. The enhanced rates are not being made applicable as of now to the States of West Bengal and Assam for the reason that they are continuing to levy and collect cesses at such higher rates on coal. As soon as these heavy cesses in these two States are withdrawn or set aside the new rates will be made applicable to them also.

I had announced in this House earlier that I will call a meeting of the Chief Ministers of coal producing States within a week in order to discuss the subject of revision of royalty on coal. Now that the Government has taken a decision in this regard, it would not be necessary to call such a meeting of the Chief Ministers.

.....(*Interruptions*).....

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Speaker, Sir, the hon. Minister has said that as soon as these heavy cesses in West Bengal and Assam are withdrawn or set aside

[Sh. Somnath Chatterjee]

the new rates will be made applicable them also. Why should they be set aside?...(*Interruptions*)

SHRI CHANDRA JEET YADAV (Azamgarh): He is presuming that the Court will do it...(*Interruptions*)

SHRI SOMNATH CHATTERJEE: The Government of India is supporting the State Government in the Courts and the Minister is saying something contrary to that here. They do not know what they are doing in the courts of law. They have no idea about that. Shri Sangma, please change your advisers...(*Interruptions*)

SHRI CHANDRA JEET YADAV: Sir, this is a serious matter. It is a matter of propriety...(*Interruption*)

MR. SPEAKER: We will see if it can be discussed later on.

(*Interruptions*)

[*Translation*]

SHRI RAM VILAS PASWAN (Rosera): Mr. Speaker, Sir, this whole issue gained momentum, when the Chief Minister of Bihar threatened to go on a fast unto death from 29th onwards. That prompted us to raise the matter in this august House and it was very kind of you to have directed the Government in this regard as a result of which, the Government has come out with a statement. The Bihar Chief Minister postponed his 'fast unto death' programme only when Shri Ghulam Nabi Azad, a Union Minister, gave him an assurance in this regard. I would like to tell the Government and Shri Sangma that they have brought the situation back to square one, back to the situation of confrontation, which we do not want. We would like to tell you that the decision to revise the royalty rates is not a new one. That day also, I had said that the previous Government too had taken a similar decision, but there was a colosal loss of Rupees 500 crore, due to the non-implementation of that decision. Would you be kind enough to inform us the date from which this would be implemented. Secondly it was announced in the House earlier that a meeting of the Chief Ministers of Coal producing States will be called, in order to discuss the subject of revision of royalty on coal. So, I would like to know whether this decision was taken after taking the concerned Chief Ministers into confidence or not? (*Interruptions*)

[*English*]

MR. SPEAKER: We will see if it can be discussed later on.

(*Interruptions*)

SHRI CHANDRA JEET YADAV: Sir, it is a matter of propriety. ...(*Interruptions*) I am not asking the Minister. I am not seeking a clarification from him. I am asking you, Sir...(*Interruptions*)

MR. SPEAKER: We will decide it in the Business Advisory Committee.

(*Interruptions*)

SHRI CHANDRA JEET YADAV: It is not a question of Business Advisory Committee. I am not asking for any time...(*Interruptions*)

MR. SPEAKER: Either you follow the rule or allow me to conduct the House.

*(Interruptions)*

MR. SPEAKER: You please sit down. If you are interested in having a discussion on it we will decide whether we can have a discussion.

*(Interruptions)**

*Not recorded.

MR. SPEAKER: I am not allowing. Matters under Rule 377. Shri Sudhir Sawant

*(Interruptions)**

MR. SPEAKER: This is not going on regard.

*(Interruptions)**

MR. SPEAKER: Mr. Sonkar, you do not know how you can discuss it on the floor of the House.

*(Interruptions)*

MR. SPEAKER: I am facilitating a full-scale discussion on this and yet you are standing up and speaking something which is not relevant.

*(Interruptions)*

MR. SPEAKER: I have gone to something else.

---

**13.12 hrs.**

## MATTERS UNDER RULE 377

### (i) Need to reconsider the proposal to dismantle the airport at Ratnagiri

[*English*]

SHRI SUDHIR SAWANT (Rajapur): Ratnagiri and Sindhudurg districts of Maharashtra are the most backward regions in the country, mainly due to lack of communication facilities. The Government has decided to dismantle the airport at Ratnagiri which is the only airport in the region. This has caused grave concern in the people of the region and is considered a retrograde step. The said work for dismantling should be terminated immediately.

### (ii) Need to construct a bridge over river Koel in Rourkela

KUMARI FRIDA TOPNO (Sundargarh): Nearly two-third of the steel city of Rourkela is surrounded by Koel river separating nearly 1.5 lakh tribals from the rest of the world for a period of over six months during rainy season. Most part of Nuagaon block remains cut off from the rest of the world. Mainly Kacharu. G.P. under Nuagaon Block has no educational facilities for the children as a result of which they come to Rourkela, crossing the river Koel by ferry boat. Twice in the recent past there had been boat mishaps which caused the death of many innocent children. The daily labourers and the vegetable growers mostly the tribals of the nearby villages across the river Koel mainly depend on Rourkela city for their daily bread. In the interest of the education of the children and livelihood of thousands of tribals living below poverty line, I request the Government to construct a bridge over river Koel, which will connect Rourkela city with many tribal villages in Nuagaon block in the district of Sundargarh, Orissa.

### (iii) Need to constitute an independent authority to assess the damage caused due to monsoon in Kerala recently

PROF. SAVITHRI LAKSHMANAN (Mukundapuram): Sir, as a result of the South West Monsoon in Kerala, upto 9-7-1991, 104 persons died and 103 suffered injuries, 859 Relief Camps were opened for the immediate temporary rehabilitation, of affected persons. 53,847 hectares of agricultural crops have been completely damaged. In 5,23,345 hectares agricultural land, partial damages occurred. The total loss is estimated as Rs. 92.40 crores in Agriculture itself.

Damages occurred to sea walls, minor irrigation structures, river banks and canals, bunds, roads are estimated separately. The total loss is estimated to be Rs. 318.39 crores as on 30-6-1991.

At the Relief Centres, food, clothing, medical facilities, etc. were

---

*Not recorded.